

## Wisconsin Health Insurance Coverage, 2005 Executive Summary \*

The *Wisconsin Health Insurance Coverage, 2005* report provides information about health insurance coverage, health status, health problems, and the use of health care services among Wisconsin residents. A key finding from the 2005 report is that the majority of Wisconsin residents were covered by health insurance for an entire year. Other important findings include:

- An estimated 4.8 million state residents (89 percent) were insured for all twelve months prior to the survey.
- About 286,000 residents (5 percent) were insured part of the past year and uninsured part of the year.
- An estimated 276,000 residents (5 percent) had no coverage during the prior year.
- The percentages for 2004 and 2005 are the same.
- There was a small, statistically insignificant increase in those uninsured for part of the year; from 270,000 in 2004 to 286,000 in 2005.

The report also indicates that the number of Wisconsin children without insurance<sup>1</sup> grew from 91,000 in 2004 to 110,000 in 2005; a 21 percent increase.<sup>2</sup> Of the 19,000 additional children without coverage, 4,000 were uninsured all year and 15,000 were uninsured for part of the year. A review of the data from 1999 through 2005 reveals that there was a significant decline in children uninsured part or all of the past year between 2002 and 2003. Since 2003, there have been small increases in the number of uninsured children. The overall increase from 2003 to 2005 is significant with an additional 25,000 children uninsured for part or all of the past year in 2005, as compared to 2003 (47,000 in 2003; 72,000 in 2005).

For those children without health care coverage for part of the year, white children experienced the largest increase between 2004 and 2005—23,000—while the number of African-American children decreased by half—from 12,000 in 2004 to 6,000 in 2005. The sample of Hispanic children was too small to discern any change.

A majority of the children who were uninsured for part of the year lived with adults who were employed full-time.<sup>3</sup> In 2004, there were 48,000 uninsured children living with adults employed full-time; in 2005, this number rose to 65,000.<sup>4</sup>

**Western and Southeastern Wisconsin Especially Affected:** There are special concerns for children living outside the City of Milwaukee. The number of children statewide who were uninsured for part of the year increased from 45,000 in 2004 to 65,000 in 2005. Wisconsin's Western and Southeastern regions<sup>5</sup> (excluding the City of Milwaukee) in particular, experienced

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<sup>1</sup> The total number of uninsured is the sum of those who were uninsured for part of the year and those who were uninsured the whole year.

<sup>2</sup> Statistically significant at the 90 percent confidence level. All other differences cited are significant at the 95 percent confidence level.

<sup>3</sup> Full-time is defined as being employed full-time at a point during the year.

<sup>4</sup> Results from data analysis using the 2004 and 2005 Family Health Surveys not included in the full report.

<sup>5</sup> The Western Region consists of Barron, Buffalo, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Jackson, La Crosse, Monroe, Pepin, Pierce, Polk, Rusk, St. Croix, Trempealeau, and Washburn counties. The Southeastern Region is composed of Jefferson, Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha counties.

significant increases. In 2004, there were 7,000 children without insurance for part of the year in the Western region; in 2005 that number was 20,000. In the Southeastern region (excluding the City of Milwaukee), there were 7,000 children without coverage for part of the year in 2004; in 2005 that number increased to 17,000.<sup>6</sup>

The City of Milwaukee experienced the opposite. In 2004, 12,000 children did not have health insurance for part of the year. In 2005, that number dropped to 7,000. This decrease is not statistically significant.

**Number of Uninsured Children Increased Nationally:** Wisconsin was not alone in seeing an increase in the number of children without health insurance coverage. Nationally, the number of uninsured children increased by 300,000 in 2005 following a decrease of 400,000 from 2000 to 2004.<sup>7</sup> According to the Kaiser Family Foundation, both children and adults experienced an erosion of employer-sponsored health insurance (ESI) in recent years. Until 2005, expansions in Medicaid and State Children's Health Insurance Programs (SCHIP) largely offset this erosion for children. Medicaid and SCHIP coverage abated in 2005.<sup>8</sup>

Wisconsin data reflect these national trends, with children covered by ESI falling by 3 percentage points from 2004 to 2005.<sup>9</sup> Wisconsin still has the fourth lowest uninsured rate among all states for the non-elderly (0-64 years of age).<sup>10</sup> Yet there are too many people, including children, without coverage and thus, without access to adequate health care.

**Policy Solution—BadgerCare Plus:** The statistics in this report emphasize the critical need to expand health insurance programs for children. Governor Jim Doyle announced his strategy for addressing this need in January 2006. BadgerCare Plus will create a single health care safety net for children and their families by merging Family (AFDC) Medicaid, BadgerCare, and Healthy Start into one comprehensive program. Coverage will be expanded by 28,000 individuals: all children—regardless of income; more pregnant women; relative caregivers (e.g., grandparents); children aging out of foster care; certain farmers and other self-employed parents; and parents with children in foster care.

A dramatically streamlined eligibility process will make BadgerCare Plus easy for families to understand and enroll in. A concentrated outreach campaign will enlist non-profit, community-based organizations, e.g., Head Start, schools, faith-based organizations, and child care centers, in an effort to ensure that all eligible children are enrolled.

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<sup>6</sup>These numbers are not included in the full report.

<sup>7</sup> Holahan, John and Allison Cook. (October 2006). "Why did the Number of Uninsured Continue to Increase in 2005?" Kaiser Commission on Medicaid and the Uninsured. Retrieved on October 25, 2006 from <http://www.kff.org/about/kcmu.cfm>.

<sup>8</sup> Clemans-Cope, Lisa, et al. (October 2006). "Changes in Employees' Health Insurance Coverage, 2001-2005." Kaiser Commission on Medicaid and the Uninsured. Retrieved from <http://www.kff.org/about/kcmu.cfm>.

<sup>9</sup> The decrease from 2004 to 2005 in ESI coverage is not statistically significant. The shortfall in employer-sponsored health insurance was made up by a combination of small, statistically insignificant increases in Medicaid and SCHIP coverage and uninsured children, along with a statistically significant increase in children covered by privately-purchased coverage.

<sup>10</sup> Comparison of all states, 2005. Retrieved from [www.statehealthfacts.org](http://www.statehealthfacts.org).

The Institute of Medicine and others (Newacheck, et al., 1998b and McCormick, et al., 2001) found that uninsured children use medical and dental services less frequently and are less likely to get their prescriptions filled than insured children, even after taking into account differences in family income, race/ethnicity, and health status. In addition, the studies found that uninsured children are less likely to receive routine, preventive well-child checkups and immunizations. Especially disturbing, half of all uninsured children have not had a doctor's visit in the past year, more than twice the rate of insured children.<sup>11</sup>

The data presented in this report make a compelling case for continuing Wisconsin's efforts to ensure that all children have access to high-quality health care.

\* Prepared by the Policy Implementation Center, Office of the Secretary, Department of Health and Family Services.

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<sup>11</sup> Insuring America's Health: Principles and Recommendations (2004). Board on Health, Institute of Medicine. Accessed on December 1, 2006 at <http://newton.nap.edu/catalog/10874.html>.